

TOWNSHIP OF ALBEE AND MAPLE GROVE
POLICE DEPARTMENT
SAGINAW COUNTY

FINANCIAL STATEMENTS

MARCH 31, 2006

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other				Local Unit Name ALBEE TWP & MAPLE GROVE TWP POLIC		County SAGINAW	
Fiscal Year End 03/31/06		Opinion Date 06/01/06		Date Audit Report Submitted to State			

We affirm that:

We are certified public accountants licensed to practice in Michigan.


We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES NO Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☐ ☒ The local unit has adopted a budget for all required funds.
5. ☐ ☒ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☐ ☒ The audit opinion is UNQUALIFIED.
13. ☐ ☒ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☐ ☒ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:		Enclosed	Not Required (enter a brief justification)	
Financial Statements		<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations		<input checked="" type="checkbox"/>		
Other (Describe)		<input type="checkbox"/>		
Certified Public Accountant (Firm Name) DEMIS & WENZLICK, P.C.			Telephone Number (989)-723-8227	
Street Address 217 N WASHINGTON, SUITE 201			City OWOSSO	State MI
			Zip 48867	
Authorizing CPA Signature 		Printed Name GAIL WINNICK		License Number



DEMIS and WENZLICK, P.C.

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INDEPENDENT AUDITOR'S REPORT

To the Joint Administrative Board
Police Department of Albee Township
and Maple Grove Township
(Saginaw County)
17010 Lincoln Road
New Lothrop, Michigan 48460

We have audited the accompanying general-purpose financial statements of the Albee Township and Maple Grove Township Police Department, Saginaw County, Michigan as of and for the year ended March 31, 2006. These financial statements are the responsibility of the Police Department's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluation of the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Management has not presented government-wide financial statements to display the financial position and change in financial position of its governmental activities as required by the Governmental Accounting Standards Board (GASB 34). Accounting principles generally accepted in the United States of America require the presentation of government-wide financial statements. GASB 34 requires management's discussion and analysis which also has not been prepared.

In our opinion, except for the non-application of GASB 34, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Department, as of March 31, 2006, in conformity with generally accepted accounting principles in the United States of America.

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining and individual fund financial statements. The accompanying financial information has been subjected to the auditing procedures applied in the examination of the combined, combining, and individual fund financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Our report of comments and recommendations dated June 1, 2006, has been submitted under separate cover.

Dennis and Wengert, PC

Certified Public Accountants

Owosso, Michigan
June 1, 2006

ALBEE TOWNSHIP AND MAPLE GROVE TOWNSHIP
POLICE DEPARTMENT
BALANCE SHEET

ASSETS

	<u>2006</u>	<u>MARCH 31,</u> <u>2005</u>
ASSETS:		
Cash	\$ 2,746	\$ 2,901
Due from Municipalities:		
Albee Township	9,903	9,273
Maple Grove Township	<u>-0-</u>	<u>-0-</u>
TOTAL ASSETS	<u>\$12,649</u>	<u>\$12,174</u>

LIABILITIES, EQUITY AND OTHER CREDITS

LIABILITIES:

Accounts Payable	\$ 2,848	\$ 3,422
Due to Maple Grove Township	2,240	1,340

EQUITY AND OTHER CREDITS:

Fund Equity	<u>7,561</u>	<u>7,412</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$12,649</u>	<u>\$12,174</u>

The accompanying notes are an integral
part of these financial statements.

See independent auditor's report.

ALBEE TOWNSHIP AND MAPLE GROVE TOWNSHIP
POLICE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND EQUITY
FOR THE FISCAL YEAR ENDED MARCH 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
REVENUES:		
State Shared Revenue - Liquor License Fees:		
Albee Township	\$ 939	\$ -0-
Maple Grove Township	522	440
Intergovernmental Revenues:		
Albee Township	12,275	12,133
Maple Grove Township	15,100	14,660
Other	<u>14</u>	<u> </u>
TOTAL REVENUES	<u>\$28,850</u>	<u>\$27,233</u>
EXPENDITURES:		
Administrative:		
Office Supplies & Miscellaneous	\$	\$ 12
Independent Accounting & Auditing	525	500
Contractual Service - Saginaw County Sheriff's Dept:		
Basic Contract Fee	<u>28,176</u>	<u>26,638</u>
TOTAL EXPENDITURES	<u>\$28,701</u>	<u>\$27,150</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 149	\$ 83
FUND EQUITY, BEGINNING OF FISCAL YEAR	<u>7,412</u>	<u>7,329</u>
FUND EQUITY, END OF FISCAL YEAR	<u>\$ 7,561</u>	<u>\$ 7,412</u>

The accompanying notes are an integral part of these financial statements.

See independent's auditor's report.

ALBEE TOWNSHIP AND MAPLE GROVE TOWNSHIP
POLICE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

During 1991, the Townships of Albee and Maple Grove joined together under State Act 33 of PA 1951 and Act 81 PA 1981 in establishing, maintaining, and equipping a jointly operated police department.

The Township under Act 78 of P.A. of 1989, have contracted with the Saginaw County sheriff to provide special police protection for the two townships.

The Police Department is administered by a five member Joint Administrative Board.

BASIS OF ACCOUNTING

The Department utilizes the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Expenditures are recognized when the related liability is incurred, provided the liability normally would be liquidated with expendable available financial resources. Modification from the accrual basis are as follows:

Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.

Normally, expenditures are not divided between years by recording of prepaid expenses.

CAPITAL OUTLAY AND DEPRECIATION

Capital expenditures for items having a useful life of more than one year are expensed in the year of outlay.

CASH, CASH EQUIVALENTS AND INVESTMENTS

The Department's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

State statutes authorize the Department to invest in U.S. government obligation, certificates of deposit, commercial paper, repurchase agreements, bankers' acceptances, and with some restrictions, mutual funds. An attorney General's opinion states that public funds may not be deposited in financial institutions located in states other than Michigan.

All investments, if any, are stated at cost or amortized cost and are made in accordance with State Act 217, P.A. 1982.

ALBEE TOWNSHIP AND MAPLE GROVE TOWNSHIP
POLICE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2006

NOTE 2 - DEPOSIT AND INVESTMENTS

The bank carrying value of deposits held with financial institutions equates to the Department's carrying value of \$2,746. The bank balance is categorized as follows:

Amount insured by the FDIC	\$2,746
Uncollateralized and uninsured	<u>-0-</u>
Total Bank Balance	<u>\$2,746</u>

NOTE 3 - FIXED ASSETS

The Department has no vehicles and equipment in its name.

NOTE 4 - INTERGOVERNMENTAL REVENUE

Currently, the Townships of Albee and Maple Grove appropriate 0.242 miles of property taxable valuation from their general fund for the joint police department.



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Members of the Joint Administrative Board
Police Department of Albee Township and
Maple Grove Township
Saginaw County, Michigan

In compliance with the provisions of Section 11, Paragraph 2, of Act 2, Public Acts of 1968, we wish to render our report of comments and recommendations which were formulated as a result of the examination of our firm performed on the financial statements of the Police Department for the year ended March 31, 2006.

As a result of our examination of the Departments financial statements, we make the following comment:

BUDGET

Act 33 of 1951 regarding Police and Fire Protection requires that the Administrative Board shall prepare an annual budget to be reviewed by the Township Board.

We wish to thank the Department for the excellent cooperation we received in performing the audit. If we can be of any further assistance to the Department on these matters or any future matters, please do not hesitate to contact us.

Demis and Wenzlick, PC

Certified Public Accountants

Owosso, Michigan
June 1, 2006